

Philadelphia metropolitan area and the Harrisburg-Lancaster-Lebanon-York DMA. [Id.] WTVE was the only television station licensed to Reading, basically serving Berks, Lebanon, Chester, Lancaster, Schuylkill and Lehigh Counties, but nevertheless competing with stations from Philadelphia, including all of the major network stations and independent stations. [Id.; 1989-93 Cable & Station Coverage Atlas (Reading Ex. 13)] In 1992, with the passage of the Cable Consumer Competition and Protection Act of 1992, "must carry" was enacted, thereby upgrading WTVE's household reach immensely. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 3)] However, WTVE shared the Philadelphia DMA with WHSP-TV, Channel 65, Vineland, New Jersey, another Home Shopping Network affiliate. [Id. at 2] Since both stations provided the same Home Shopping Club programming, cable systems were required only to carry the signal of the station closest to their respective headends, thereby freezing WTVE out of cable carriage in the eastern portion of the Philadelphia DMA, consisting of the adjoining portions of New Jersey and Delaware. [Id.]

30. In addition to being in bankruptcy from 1986 until March 12, 1992, WTVE operated at a loss during each year of the 1989-94 license term. Reading's financial statements show the following results for that time period:

	<u>1989</u>	<u>1990</u>	<u>1991</u>
Revenues	733,590	777,833	878,687
Expenses	<u>1,177,165</u>	<u>904,626</u>	<u>1,366,243</u>

Net Loss	\$(443,575)	\$(126,793)	\$(487,556) ⁴
	<u>1992</u>	<u>1993</u>	<u>1994</u>
Revenues	872,701	854,846	886,088
Expenses	<u>911,508</u>	<u>867,610</u>	<u>916,087</u>
Net Loss	\$(38,807)	\$(12,764)	\$(29,999)

[Testimony of Micheal L. Parker (Reading Ex. 5 at 1)]

b. **Ascertainment of Community Needs and Interests.**

31. During the first part of the license term (August 1, 1989 to 1990), when Reading was in bankruptcy, WTVE's ascertainment primarily took the form of staff referrals from local organizations and community leaders. In addition, personnel at the station reviewed local newspapers and literature from community organizations. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 5); Bradley Testimony, Tr. 4:4-16, 455:7-21, 460:2-13; Mattmiller Testimony, Tr. 572:7-16; Bendetti Testimony, Tr. 1733:16-24] Beginning in the early 1990's, the station instituted a more systematic method of ascertaining local issues. George Mattmiller, Assistant General Manager, instructed WTVE's staffers to contact local organizations such as the Red Cross, American Cancer Society, Easter Seals and others. He also instructed them to poll local companies. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 5); Bradley Testimony, Tr. 453:11-455:6; Mattmiller Testimony, Tr. 576:16-577:23, 580:10-24] In addition, Master

⁴ Excludes \$1,923,357 in debt relief pursuant to the reorganization proceeding.

Control Operators reviewed and summarized articles from the Reading Times/Eagle. Kimberley Bradley, who coordinated WTVE's public service efforts, tabulated and reviewed the results, extrapolating concerns and issues that formed the basis for subsequent staff meetings to determine topics and guests for shows. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 7); Bradley Testimony, Tr. 453:11-454:3] Formal ascertainment polling of community leaders proved not to be particularly effective and was generally not the basis for selecting topics. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 5); Bendetti Testimony, Tr. 1699:23-1700:9, 1732:20-1733:24, 1755:11-23] The most effective ascertainment was a hybrid of phone polling, review of mailed material, newspapers, staff referrals and discussions with visitors to the studio. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. at 6)]

32. Ms. Bradley was primarily responsible for children's ascertainment activity. [Id. at 8] This ascertainment was conducted through school visits and studio tours for children's groups such as Cub Scouts and Girl Scouts. [Id. at 7-8; Bendetti Testimony, Tr. 1697:20-1698:17]

33. WTVE's quarterly issues and programs lists document some of WTVE's ascertainment efforts. [Testimony of Kimberly G. Bradley (Reading Ex. 8) Appendix G at 2 (meetings with local representative from American Narcolepsy Association); Appendix H at 3 (work with local representatives of NEIGHBOR WORKS); Appendix I at 2 (work with local representatives from

Big Brothers (Big Sisters of Berks County); Appendix P at 8-9 (production of Elderly Update with information from local organizations), 13 (meetings with local representatives for Savings Bonds), 17 (production of Healthbeat with information from local organizations), 21 (production of Abundant Life in conjunction with local chapter of Seventh Day Adventists), 23 and 26 (production of Americans Abandoned in conjunction with local representative of POW/MIA), 26 (meetings with local representative of The T.E.C. Network – Mental Health Association of Southeastern Pennsylvania to discuss production of public service announcement⁵ and appearance on News To You public affairs show), 27 (work with local high schools to develop Take 3 public service program by and about young people), 28 (meetings with local representatives of Berks County Senior Citizens Council, Berks County Lupus Support Group, Savings Bonds and Blue Mountain Academy about public service programs and PSAs), 29 (meetings with local representatives of Berks Aids Network, Pennsylvania Young Woman of the Year, American Red Cross and local hospitals about public service programs and PSAs), 30-31 (work with representatives of Switchback Gravity Railroad Foundation and Reading Rehabilitation Hospital); Appendix Q at 225-234 (meetings with local representatives of Berks County Lupus Support Group, United Way of Berks County, Oley Valley High School, March of Dimes, Schuylkill Valley

⁵ Public service announcements are referred to herein as "PSAs." For purposes of the quantitative analysis of WTVE's record, segments of less than two minutes are generally classified as PSAs rather than programs. [Bradley Testimony, Tr. 392:23-393:18; Gilmore Testimony, Tr. 504:18-505:15]

Community Library, Goddard School of Learning, Berks County Assessment Board and Reading Councilman Frank McCracken to discuss public service programs and PSAs); Appendix R at 274 (contacts with representatives of Children's Hospital of Philadelphia and the Rice Council about public service programs and ascertainment at Exeter High School); Appendix S at 219-20 (contacts with representatives of Children's Hospital of Philadelphia and The Rice Council about public service programs and ascertainment at Exeter High School); Appendix S at 219-20 (contacts with representatives of Children's Hospital of Philadelphia and the Calcium Information Center about public service programs); Appendix T at 165-67 (meetings with local representatives of Children's Hospital of Philadelphia, Berks County Chapter of MADD, U.S. Navy, March of Dimes, Kidspace National Center for Kids in Crisis, Savings Bonds and WIC program); Appendix V at 58-70 (discussions with local representatives of Reading and Berks County governments, Savings Bonds, American Red Cross, Department of Health, Make-A-Wish Foundation, Bethlehem Musik Fest Association, Women's Federation of Business, East Penn Manufacturing, Tour de Sol, U.S. Forest Service, Berks County Chapter of MADD, Albright College, WIC program, Pennsylvania Dairy Council, Child Abuse Prevention Committee of Central Pennsylvania, Berks Women's Network, Harleysville National Bank, NAACP, American Businesswomen's Association, Soroptomist International of Reading, Catholic Women's Club of Berks County, Professional Secretaries International, Berks

County Hispanic Council, Reading Councilman Frank McCracken, Berks Businesswomen's Network, Berks Women In Crisis, American Businesswomen's Association-Duryea Chapter, El Hispano, Yuasa/Exide, New Choices, Caron Foundation, Threshold, Briggs & Stratton, Metropolitan Edison, Herseypark, Huffy Bicycles, Poison Control Center, Pro Kids of Berks County, Berks AIDS Network, Olivet Boys and Girls Club of Reading and Berks County, Inroads Employee Assistance Program, Berks County Mental Health/Mental Retardation Program, Concern, Literacy Council of Reading-Berks and Reading Emergency Shelter).

34. Reading's ascertainment records for 1989-94 filled five or six legal document cartons. [Bradley Testimony, Tr. 499:3-25] The staff's ascertainment efforts were the subject of discussions at station management meetings and station staff meetings. [Bendetti Testimony, Tr. 1700:19-1703:18]

c. **Programming Responsive To Ascertained Needs**

35. During the renewal term, WTVE aired Home Shopping Network programming for approximately 53-55 minutes per hour and used the remaining 5-7 minutes to air its own programming. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 1)] That programming generally consisted of short-form public service programming of 2-4 minutes, public service announcements of 30-90 seconds, commercials, promotional announcements and station promotion/identification announcements. [Id.] The station's

long-form programming (15 minutes or more) between 1989-94 other than home shopping programming consisted of religious programming, children's programming, political programming and certain special programming. [Id.]

36. WTVE's short-form (2-4 minute) public service programming during 1989-94 took several forms:

i. News to You (News Features) programs were often partially produced by WTVE and provided a "soft news" look at topical issues such as health (e.g., allergies, medical advances), family concerns (e.g., child care, personal therapy), consumer issues (e.g., food and diet, saving money) and crime/safety (e.g., home safety, safety in travel). News Updates, aired in the latter part of the license term, provided brief national news updates. [Id. at 2] A group of staffers reviewed tapes of material under consideration for News To You programs to find material responsive to community needs. [Bradley Testimony, Tr. 460:21-461:24]

ii. In Touch programs were produced by WTVE and usually featured one or more local experts on issues such as health and safety (e.g., 8-part series on sleep disorders, 6-part series on multiple sclerosis, 4-part series on AIDS), and social/community issues (e.g., 18-part series on the environment, 6-part series on pornography). [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 2)] WTVE's staff used its ascertainment process to pick topics for In Touch. [Bradley Testimony, Tr. 463:8-16; Bendetti

Testimony, Tr. 1671:1-1672:15] During the license period, almost all of Reading's major non-profit organizations visited WTVE's studio at one time or another for the production of In Touch or Community Outreach programs. [Bradley Testimony, Tr. 490:23-25]

iii. Healthbeat (Health Report) programs were produced or partially produced by WTVE and examined a wide variety of health issues, including cancer screening, exercise, arthritis and poison prevention. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 2)] WTVE's staff picked topics for these programs based on discussions with local community groups or hospitals. [Bradley Testimony, Tr. 464:21-465:11]

iv. Community Outreach programs were community-focused programs produced by WTVE featuring a variety of issues such as taxes (4-part series), volunteerism (11-part series), flood relief (5-part series) and consumer issues. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 2)] Topics were selected on the basis of the station's ascertainment efforts. [Bradley Testimony, Tr. 465:13-21]

v. Streetwise was a man-on-the-street interview focusing on various issues, particularly government/politics. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 2)] Topics for Streetwise were issues identified by the station's ascertainment process. [Bradley Testimony, Tr. 458:2-6]

vi. Take 3 was a program that WTVE helped local youths produce and dealt with issues of interest to youngsters, such as education, alcohol abuse and sports. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3)] The topics were selected by local high school students and their advisers. [Bradley Testimony, Tr. 465:22-466:16]

vii. Elderly Update (Elderly Report) was produced or partially produced by WTVE and dealt with issues of interest to senior citizens such as health and safety, savings and investments. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3)] Topics were picked by Carl Stewart, an independent contractor for WTVE, based on his extensive dealings with organizations working on issues important to senior citizens. [Bradley Testimony, Tr. 467:20-468:22; Schacht Dep. (Reading Ex. 30 at 4-11)]

viii. Kids Korner was produced by WTVE and dealt with issues of interest to children, such as the environment (featuring "Captain Enviro" from Reading Beautification, Inc.), pet care, safety tips, etc. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3)] Ascertainment for this program was done at local schools and with groups of youngsters touring the WTVE studio. [Bradley Testimony, Tr. 468:23-469:25]

ix. For the People was produced by WTVE and dealt with state and local political issues. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3); Bradley Testimony, Tr. 470:1-14]

x. The Informative Moment was a Spanish-language program produced by WTVE and dealing with issues of interest to Reading's Hispanic population. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3)] WTVE used a bilingual volunteer from a local high school to contact the Spanish-speaking representatives of local community groups to select topics. [Bradley Testimony, Tr. 470:15-471:1]

xi. Around Our Town was produced by WTVE and focused on topics relating to the local environment and community events, such as the opening of trout season, Scenic River Days and St. Joseph Hospital Community Days. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3); Bradley Testimony, Tr. 471:2-11]

37. WTVE also aired thousands of PSAs from 30-90 seconds in length. [Testimony of Kimberley G. Bradley (Reading Ex. 8), Appendix A at 1-20, Appendix B at 4-9] These included WTVE's community calendar announcements and local weather reports. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3)] WTVE produced many other PSAs, including two that won awards from the Pennsylvania Association of Broadcasters for best PSA campaigns (Reading Public Museum and Keystone Safety Belt Network). [Id. at 3-4] Although many PSAs received from national organizations were aired without edits by WTVE, in many cases WTVE worked with a local chapter to localize the spot by providing local contact

information. [Id. at 4] The station's PSAs covered a wide variety of topics, including:

i. Community Calendar, Spotlight 51, Post Script and In the Community Interest were 30-90 second announcements of local events, produced by WTVE. [Id.]

ii. Weather was a 30-second weather report produced by WTVE and usually aired several times in the morning. [Id.]

iii. Humane Society Pets of the Week was a 60-second feature produced by WTVE and usually aired 1-4 times daily. [Id.]

iv. Have You Seen Me? was a 60-second feature on missing children produced by WTVE and usually aired 1-4 times daily. [Id.]

v. Crimestoppers was a 30-second feature on local crime produced by WTVE and usually aired 1-5 times daily. [Id.]

vi. Health/Safety PSAs, including Keystone Safety Belt Network (produced by WTVE), Healthy Start (partially produced by WTVE), Medical Minutes, Lions Club drug/alcohol prevention (produced by WTVE), Red Cross (partially produced by WTVE), Public Safety in Reading (produced by WTVE), etc. [Id.]

vii. Civic/Social PSAs, including a series for the Berks County Museum Council (produced by WTVE), a series for the Reading Public Museum (produced by WTVE), Mid-Atlantic Air Museum (produced by

WTVE), The Fresh Grocer series, a series involving the Reading Phillies (produced by WTVE), a Reading Musical Foundation PSA (produced by WTVE), Working for a Greater Reading PSA (produced by WTVE), Berks County Visitors Information PSA (produced by WTVE), Kutztown Folk Festival PSA (partially produced by WTVE), etc. [Id. at 5]

viii. Education PSAs, including a series for the Berks County Literacy Coalition (produced by WTVE), Reading Area Community College (produced by WTVE), various spots encouraging reading, spotlighting coaches and teachers, etc. [Id.]

ix. Environmental PSAs, including a series for Trout Unlimited (two produced by WTVE and one partially produced by WTVE) and PSA's dealing with recycling, forest fires, litter, Arbor Day, Earth Day, etc., some of which were produced or partially produced by WTVE. [Id.]

x. PSAs for special interest groups, including the disabled (e.g., Berks County Center for Independent Living PSA, produced by WTVE), abused women (e.g., Berks Women in Crisis PSA, produced by WTVE); the elderly (e.g., Reading Nursing Association PSA produced by WTVE), the mentally/developmentally disabled (e.g., T.E.C. Network PSA produced by WTVE), etc. [Id.]

xi. PSAs involving the armed forces, veterans or governmental programs, including Heartbeat (USMC PSA partially produced

by WTVE), Selective Service, EPA, DOT, WIC, taxes and other PSAs. [Id. at 6]

xii. PSAs for children or promoting children's interests, including Head Start, Kids' Water Safety, Bus Rules, Babies and Puppies, etc. [Id.]

xiii. Religious PSAs, particularly the Christopher Spotlight PSA's (partially produced by WTVE) and St. John's Christian Academy PSAs (produced by WTVE). [Id.]

38. WTVE's long-form (15 minutes or longer) programming from 1989-94 included religious programming, government affairs programming, children's programming and special programming. [Id.] This includes:

i. Religious Programming. Religious programming that aired on WTVE on a recurring basis during the 1989-94 license term included Today With Marilyn (aired five days a week, 30 minutes a day for a substantial portion of the license term), Jimmy Swaggart (aired on Sundays for an hour during part of the license term), Wescott Christian Center's Sunday services/sermons (aired at various times during part of the license term), and Abundant Life (a Sunday half-hour show produced by the Seventh-Day Adventist Church and aired during part of the license term). [Id.; Mattmiller Testimony, Tr. 608:3-610:9; Bendetti Testimony, Tr. 1762:6-1764:4]

ii. Government Affairs Programming. Long-form government affairs programming that WTVF aired during part of the license term included various legislative reports, usually about a half-hour each, from state legislators representing Reading and/or the surrounding area and providing information on pending legislative issues. These programs are listed under the Government heading of WTVF's quarterly issues and programs lists for the quarters involved, with titles such as Legislative Journal, Legislative Report, State House Perspectives, Agenda for Action, State House, etc. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 7); Bendetti Testimony, Tr. 1692:6-1694:24, 1764:9-21]

iii. Special Long-Form Programming. Special long-form programming aired on WTVF in the 1989-94 license term included religious and inspirational programming, special non-shopping programming produced by the Home Shopping Network, certain documentaries produced by WTVF and miscellaneous other specials. On Christmas Eve and/or Christmas Day, WTVF aired special programming for substantially all of the day, normally consisting of religious and children's specials and/or Home Shopping Network's all-day "Bring Them Home America" special addressing missing children. The special Christmas day programming included gospel music programs produced by WTVF. In addition, WTVF aired various specials such as "A Time for Healing" (a 48-minute documentary produced by WTVF concerning the Vietnam Veterans Memorial in Reading), Americans

Abandoned (a 58-minute documentary about MIA's with a wrap-around produced by WTVE), Switchback Gravity Railroad (a Pennsylvania Association of Broadcasters award-winning documentary, produced by WTVE, supplemented with an interview wrap-around to provide a full 30-minute program), Children Crying, African Famine, People vs. Noise, etc. During the holiday season, WTVE also partially produced and aired Soldiers' Greetings from local servicemen stationed abroad. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 7-8)]

iv. Children's programming. Beginning in 1992, WTVE began airing long-form children's programming, including Go For It, Candid Kids Club, Adventure Pals, Widget, The Children's Room and Twinkle. [Id. at 8] In addition to this syndicated programming, WTVE produced Kids' Korner, a long-running segment-length series addressing children's issues, and Take 3, a segment-length series, with seasonal half-hour specials, for, by and about teenagers. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 8)] In addition, WTVE promoted various children's and youth groups in the community, producing and airing PSAs and performing other services. [Id.] WTVE's staff selected the station's children's programming and issues through ascertainment conducted when visiting local schools and leading youngsters on tours of the station. [Id. at 7-8; Bendetti Testimony, Tr. 1697:20-1698:17]

39. WTVE's quarterly issues and programs lists from the third quarter of 1989 through the third quarter of 1994 (Testimony of Kimberley G. Bradley, Reading Ex. 8, Appendices C-W) provide extensive details of the station's public service efforts. Appendices A and B to Reading Exhibit 8 provide statistical summaries of Reading's issue-responsive programming based on WTVE's quarterly issues and programs lists and logs.

40. Reading's Exhibit 8, Appendix A provides a series of spreadsheets analyzing the station's quarterly issues and programs lists (except for the first and second quarters of 1990, for which the quarterly issues and programs lists provided no affidavits showing dates and times of public service programming aired on WTVE). Those spreadsheets provide breakdowns of the types of programs and PSA's aired on WTVE during the license term, including a breakdown of the dayparts in which the programs and PSAs aired. WTVE's quarterly issues and programs lists do not reflect all of the public service programming indicated by WTVE's logs.⁶ Therefore, those spreadsheets understate the total amount of WTVE's public service programming, but help to demonstrate that WTVE aired programming addressing a variety of issues over the license term. These spreadsheets also show that WTVE's PSAs aired throughout the day without relegating public

⁶ As an example, the religious show Today With Marilyn aired for half an hour per day each weekday for a substantial portion of the license term, but is not reflected on the quarterly issues and programs lists. [Mattmiller Testimony, Tr. 608:3-610:9; Adams Ex. 2, Appendix A, Attachment 1]

service programming to the "graveyard shift." [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 9)]

41. Reading's Exhibit 8, Appendix B provides a series of spreadsheets based on a "composite week" analysis of WTVE's program logs from August 1, 1989 – July 31, 1994. Copies of those program logs are included in Reading Exhibit 8, Appendix B. The composite week analysis presented by Reading (Testimony of Kimberley G. Bradley, Reading Ex. 8, Appendix B at 4-9) showed that WTVE aired the following number of minutes of locally-produced and non-locally produced issue-responsive programs and PSAs per week from 1989-1994:

	<u>WTVE-Produced</u>		<u>Non-WTVE-Produced</u>	
	<u>Programs</u>	<u>PSA's</u>	<u>Programs</u>	<u>PSA's</u>
1. 1989 (2 days)	43	32	74	52

Total = 58.5 program minutes and 42 PSA minutes per day (11.7 hours per week total) = 7% issue-responsive programming

2. 1990 (7 days)	10.5	59	161	57.5
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Total = 24.5 program minutes and 16.5 PSA minutes per day (4.8 hours per week total) = 2.8% issue-responsive programming

3. 1991 (7 days)	0	119	150	70.5
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Total = 21.5 program minutes and 27 PSA minutes per day (5.7 hours per week total) = 3.4% issue-responsive programming

4. 1992 (7 days)	4	152.5	150	83.5
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Total = 22 program minutes and 33.5 PSA minutes per day (6.5 hours per week total) = 3.9% issue-responsive programming

5. 1993	39	128	469	122
(7 days)				

Total = 72.5 program minutes and 35.5 PSA minutes per day (12.7 hours per week total) = 7.5% issue-responsive programming

6. 1994	130.5	104	451	119
(5 days)				

Total = 116.5 program minutes and 44.5 PSA minutes per day (18.8 hours per week total) = 11.2% issue-responsive programming

d. Reputation In The Community

42. Public witnesses confirmed WTVE's role in providing public service programming to its audience. Those public witnesses addressed the following subject areas:

i. Government. Warren Haggerty, Mayor of Reading, Pennsylvania from 1987-95, testified that he worked with WTVE in producing "Minutes With The Mayor" segments and "Working For a Greater Reading" PSAs, as well as a half-hour interview program. [Haggerty Dep. (Reading Ex. 25 at 4, 7-8, 11-12, 25, 28-30, 33-35)]. Mr. Haggerty also expressed familiarity with WTVE's public safety PSAs featuring Councilman McCracken and WTVE's PSAs for the Berks County Museum. [Id. at 12-13, 27, 47, 50] Jane Meeks Squibb, the City of Reading's solid waste coordinator/environmentalist, testified that she worked with WTVE in producing News To You programs and PSAs on recycling. [Squibb Dep.

(Reading Ex. 31 at 4-5, 7-8, 9-13, 30-36)] Stanley J. McCarty, the City of Reading's crime prevention supervisor, testified that the Reading Police Department cooperated with WTVE on its Pennsylvania Crime Stoppers PSAs and that he personally participated in taping PSAs at WTVE on subjects such as drug prevention and kids and strangers. [McCarty Dep. (Reading Ex. 32 at 4, 9-13, 26-66)] Mr. McCarty also confirmed that WTVE donated transmitter space, antenna space and electrical power to Reading React, a volunteer club that monitored emergency CB radio messages. [Id. at 15-16, 58] State Representative Thomas R. Caltagirone, whose district is in Reading, testified that WTVE was the only over-the-air television station that aired his weekly half-hour Legislative Journal program. [Caltagirone Dep. (Reading Ex. 33 at 4, 7-8, 20, 45-83)] He also testified that WTVE aired similar state government programs featuring state senators and representatives from both political parties. [Id. at 10, 12-16, 20-21, 28-29]⁷

⁷ "I felt that [WTVE] did an exemplary job of allowing public access for the governmental shows and programs that we had produced, both Democrats and Republicans, I might add, in Harrisburg. Because they were very fair to the representatives in this area, allowing them that much time on their station to inform the citizens back here in Berks County, and the public service announcements also. [Because tied in with a lot of these programs are programs that are available to people throughout the entire Commonwealth and updates about those programs that are available, which are very important to the local people, to know about that.] Because the newspaper doesn't put all that stuff in. They're very limited in space. But [WTVE] gave everybody pretty much fair access to just about anything they wanted to say and what they wanted to get across in that time frame that was allotted for their programs." [Id. at 15.]

Rep. Caltagirone also testified that he also participated in taping PSAs at WTVE on a variety of issues. [Id. at 10-11, 29, 31-31]

ii. Health and Safety. Sandra M.

Kissinger, communications specialist for the Berks County Chapter of the American Red Cross, testified as to WTVE's cooperation in publicizing her organization and its efforts. [Kissinger Dep.(Reading Ex. 26 at 4-10)]⁸ WTVE aired Red Cross PSAs as well as interviews of local Red Cross representatives on topics deemed important by Red Cross. [Id. at 13-31 and 43-68] In addition, WTVE donated transmitter space, tower space and power to a local ham radio club that supplied emergency relay communications to the Berks County Chapter of Red Cross. [Id. at 20-21, 57] Linda Witman, Executive Director of the Berks County Chapter of the March of Dimes, testified that WTVE helped promote her organization's activities by producing or partially producing PSAs and News To You interviews with local March of Dimes representatives. [Witman Dep. (Reading Ex. 27 at 5-41)]⁹ Daniel Dillard of the Burn Prevention Foundation testified that WTVE

⁸ "It just seemed like any time we had a need, that we needed information to be distributed to the people in the community, they were willing to help us out. Whether it was through health and safety courses, which was prevention, disaster related things or an event that we were going to be having or holding, they were willing to help us in any way they could." [Id. at 11]

⁹ "[T]hey did a lot for us. Things that I don't even remember. So, I mean, they have been friends to our Chapter, and I have worked with them for that many years. ... [I]t raises public awareness of our mission [and]

produced (at no cost) PSAs and an hour-long documentary promoting the Foundation's activities, as well as airing other fire safety PSAs and News To You segments. [Dillard Dep. (Reading Ex. 39 at 4-12, 20-46)]

iii. Community Issues. Monica Ruano-Wenrich, director of information services for the United Way of Berks County, testified that WTVE produced an 11-part series of 3-minute "Community Outreach" segments promoting volunteerism in support of the United Way's campaign for National Volunteer Week in 1993 and 1994. [Ruano-Wenrich Dep. (Reading Ex. 34 at 4, 9-11, 27-32)] Richard Bennett, Scout Executive of the Hawk Mountain Council of the Boy Scouts, testified that WTVE aired Boy Scouts PSAs, sent a representative to speak at the Boy Scouts' annual Career Awareness day each year and participated in annual press conferences to publicize the Boy Scouts' fundraising efforts. [Bennett Dep. (Reading Ex. 36 at 4, 7-12, 15-27)]. Douglas F. Didyoung, Sr., Executive Director of Prisoners of War/Missing In Action, Forget-Me-Nots, Inc., testified that WTVE aired a documentary ("Welcome Home") about the Berks County Vietnam memorial, a documentary ("Americans Abandoned") about soldiers missing in action, and WTVE-produced promotions for those documentaries and for his organization's annual Memorial Day ceremony. [Didyoung Dep. (Reading Ex.

encourage people to participate in either Walk America or Dancing for Dimes which helps us raise funds for our research and our programs." [Id. at 14.]

37 at 6-16, 28, 31, 33, 35)]¹⁰ Joan Breisch, Executive Director of the Literacy Council of Reading-Berks, testified that WTVE aired PSAs regularly for her organization and also produced and aired a 30-minute interview program in which she was the sole guest. [Breisch Dep. (Reading Ex. 38 at 4, 11-19, 27-96)] Fred C. Windbeck, Jr., founder and executive director of the Switchback Gravity Railroad Foundation, testified that WTVE produced, at cost, and aired a documentary on efforts to restore the historic Switchback Gravity Railroad loop in Jim Thorpe, Pennsylvania, and also made copies of the documentary available at cost to his organization. The documentary, which won an award from the Pennsylvania Association of Broadcasters and was described by Mr. Windbeck as "timeless" (Windbeck Dep. (Reading Ex. 41 at 17)), was subsequently aired on other stations and cable channels and has been pivotal in the Foundation's publicity and fund-raising efforts. [Windbeck Dep. (Reading Ex. 41 at 7-18, 23-30)]

iv. Special Interest Groups (Children, Elderly, Minorities, Disabled). Phyllis Watts, Administrator of Children's Rights of Pennsylvania/In Search of Missing Children, testified that throughout the license term, WTVE produced and regularly aired one-minute PSAs describing missing children based on photographs and information that she provided. [Watts Dep. (Reading Ex. 28 at 5, 7-13, 20-105)] Ralph Trainer,

¹⁰ "I know [WTVE] did a lot of different [public service] things for a lot of people." [Id. at 15]

Executive Director of Abilities in Motion (formerly Berks County Center for Independent Living), testified that WTVE produced and regularly aired a PSA promoting his organization and its activities. [Trainer Dep. (Reading Ex. 29 at 5-12, 18-58)] Ray M. Schacht, a former freelance producer, testified that he produced "Elderly Update" and "Elderly Report" programs for WTVE in the 1989-94 license term. Those programs addressed issues of importance to senior citizens, such as fraudulent contests and long term care insurance. [Schacht Dep. (Reading Ex. 30 at 4-11, 27-72)] Ronald Rouse testified that he produced "Minority Voices" for WTVE beginning as an 8-minute program in 1994 (planned during the license term but first aired after the license term). [Rouse Dep. (Reading Ex. 35 at 4, #9-12); Testimony of Kimberley G. Bradley (Reading Ex. 8), Appendix W at 32 and 51A]

e. Compliance With FCC Rules and Policies

43. Reading complied with all applicable Commission rules and policies during the 1989-94 license term except for the reporting failures described in Reading Exhibit 14. Those reporting failures included the failure to file a copy of Reading's Management Services Agreement with Mr. Parker's company, Partel, Inc. That agreement was disclosed to the Commission in an amendment filed by Reading on February 7, 1992 in connection with its long-form transfer of control application and in 1997-99 ownership reports for Reading. [Reporting Failures, Reading Ex. 14]

44. Reading Exhibit 14 also shows that Reading incorrectly listed certain officers and directors and omitted certain officers and directors in applications and ownership reports filed during the license term. However, Reading filed a correct listing in its annual ownership report filed on March 31, 1994, the last report of the license term. [Reporting Failures, Reading Ex. 14 at 2]

f. **Community Outreach**

45. Notwithstanding WTVE's lack of profitability, WTVE's staff made the station available as a platform for community outreach and self-expression during the 1989-94 license term. As noted above, Rep. Caltagirone testified favorably as to WTVE's record in airing televised reports from local legislators. Rep. Caltagirone testified that neither newspapers nor other television stations generally provided such a forum. [Caltagirone Dep. (Reading Ex. 33 at 12-17)] WTVE's Take 3 program was produced by and featured local high school students, on topics that they and their advisors selected. [Testimony of George Alan Mattmiller, Jr. (Reading Ex. 6 at 8); Bradley Testimony, Tr. 465:22-466:16] WTVE aired announcements of community events through its self-produced Community Calendar, Spotlight 51, Post Script and In The Community Interest announcements. [Testimony of Kimberley G. Bradley (Reading Ex. 8 at 3-4)] Reading also worked with local organizations to produce and air PSAs publicizing the activities of those organizations, in addition to featuring these

organizations in WTVE-produced programs (e.g., In Touch, Community Outreach, Elderly Update, For The People and Around Our Town). [Id. at 2-6; id., Appendix C at 27] WTVE also provided a local forum through its man-on-the-street interview program (Streetwise). [Id. at 2]

46. WTVE also provided community outreach by assisting local organizations in producing videotapes about their events or organizations, often at cost or less. [Testimony of Kimberley G. Bradley (Reading Ex. 8), Appendix N at 20-21, Appendix P at 19 and at 26-27; Bendetti Testimony, Tr. 1768:7-19, 1769:16-1770:24]

47. WTVE's personnel also participated in local community events such as Kids Fun Day, Police Athletic League events, Toys For Tots, March of Dimes, Reading Mini Grand Prix, Concours d'Elegance, Duryea Days, Girl Scouts/Cub Scouts/Boy Scouts events, St. James Chapel Church events, St. John's Academy events and Daffodil Days. [Bradley Testimony, Tr. 484:13-490:25]

B. Misrepresentation / Lack Of Candor Issue Against Reading - Phase II.

1. Introduction

48. The lack of candor issue¹¹ originated with the July 15, 1999 Motion to Enlarge Issues ("Motion to Enlarge") filed by Adams. In its Motion to Enlarge, Adams urged the addition of the issue on the basis that Reading's President, Micheal L. Parker, had previously filed applications containing, as Adams phrased it, "misleadingly innocent descriptions" of the holdings and legal effect of two prior Commission decisions, Religious Broadcasting Network, 3 FCC Rcd 4085 (Rev. Bd. 1988) [hereinafter Religious Broadcasting], and Mt. Baker Broadcasting Co., Inc., 3 FCC Rcd 4777 (1988) [hereinafter Mt. Baker] (these two decisions are jointly referred to herein as the "Previous Decisions" and are included in the record as Reading Ex. 46, Attachments A and B). On August 11, 1999, Reading filed its Opposition and the Mass Media Bureau ("Bureau") filed its Comments to the Motion to Enlarge. On August 23, 1999, Reading filed a reply to the Bureau's Comments and Adams filed a Consolidated Reply to Reading's Opposition and to the Bureau's Comments.

¹¹ The issue here is stated in terms of "misrepresentation and/or lack of candor." For ease of reference the issue is simply identified herein as the "lack of candor issue."